

# YourEconomy Time Series Quarterly Data – Pandemic and Recovery Q3.2021 Report

UW System's Business Dynamics Research Consortium (BDRC) has put together this quarterly report evaluating employment and establishment changes within Wisconsin from the beginning of the pandemic through the third quarter of 2021.

YTS is the only private sector tool with full national coverage that tracks economic change at each of the nation's 16 million establishments. It includes more than a million businesses not reported in government statistics such as self-employed (sole proprietors and partnerships) and the agricultural sector.

## Findings from the third quarter of 2021

These are the highlights from the Q3.21 data:

- Q3.21 saw the largest percentage of job growth in the number of self-employed persons, increasing by 1.64%.
- From Q2.21 to Q3.21, small employers saw a net decrease or stagnation in employment. However, mid-sized and large employers saw increases of 1.17% and 1.03%, respectively. Total job gain from Q3.21 was 21,900 jobs.
- Although no significant change was noted in the number of employees at second-stage companies, they remain the largest category of employers in the state.
- The largest percentage of increase of jobs was in the food and beverage industry, seeing an increase of 2.34% from the previous quarter.
- Almost all industries across Wisconsin saw stagnant job growth, many between a 0.5% loss to a 1% increase.
- Wisconsin saw a net loss of 172 establishments between Q2.21 and Q3.21.
- When broken down by region, almost all regions saw continued job growth that we started to observe starting in Q2 2021, but unfortunately almost all regions saw loss of establishments in this quarter.

## Regional Data

We also observed similar data points broken down by the nine Wisconsin economic regions\*. Every region, less Grow North, experienced continued job growth seen in Q2, although at a slower pace for most regions. The region with the largest job growth was M7, with an impressive 6,900 net job gain.

Interestingly, most regions experienced a loss in net establishment growth even though most regions saw job expansion. This implies that much of the growth taking place is occurring via business expansion in well-established mid-size companies. Momentum West and 7 Rivers lost the most establishments with a loss of 74 and 52, respectively. The only region to see growth in establishments was MadREP with a net growth of 106 establishments.

\*When viewed by regions, note that several regions share counties, so data, if added cumulatively, will not reflect accurate statewide totals.

## Sneak Peek Q4.2021/2021 Year in Review Report

The BDRC is looking forward to our Q4 2021/2021 Year in Review report, which is expected soon. This report will include the same great summary but also give the reader instructions on how to access the tool themselves and pull more specific data on their own region or county. Contact Melissa Meschke if your organization would like to see data specific to your area, available now by request: [Melissa.meschke@business.wisconsin.edu](mailto:Melissa.meschke@business.wisconsin.edu) or 608.400.3103.

## Methodology

Data Axle (formerly Infogroup) has granted exclusive use of its historical dataset on a quarterly basis to BDRC in support of this project. Data Axle's dataset contains interview and survey data from more than 71 million establishments dating back to 1997, including the approximately 16 million verified establishments currently active or intent on conducting commercial activity in the economy. Each quarter Data Axle verifies and updates approximately 6 million of these records. BDRC has developed sophisticated algorithms to translate this 'sample' of 6 million records into estimations of the activities and employment changes of the approximately 10 million establishments not contacted by Data Axle during the quarter. BDRC then consolidates all quarterly and annual records from each establishment in the economy to create the master dataset that powers the dashboard and enables tailored research services.

The BDRC's YTS Quarterly Data Series provides superior insights when compared to other sources, both federal and academic. For example, BLS does not cover the Agricultural sector, nor does it report on self-employed workers (sole proprietors and partnerships). In contrast, because YTS Quarterly Data Series tracks all establishments rather than just employers (considered as two or more employees including owner), BDRC includes data on both sectors due to their importance to the Wisconsin and national economies. Harvard University's 'Opportunity Insights Economic Tracker', the only comparable private sector data source, provides only highly aggregated categories such as only four industry segments and two establishment size categories ('small businesses' and 'others'), while it misses coverage of ownership demographics such as minority- and women-owned businesses, which BDRC's dataset does cover.

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The Business Dynamics Research Consortium (BDRC) is a part of the Institute for Business & Entrepreneurship at the University of Wisconsin System

